

Message Text

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ACTION EUR-25

INFO OCT-01 ISO-00 SCI-06 ACDA-19 NASA-04 PM-07 COME-00

EB-11 TRSE-00 OMB-01 OTPE-00 NSC-10 CIAE-00 INR-10

NSAE-00 RSC-01 L-03 DODE-00 DRC-01 /099 W

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R 121620Z DEC 73

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 6380

INFO AMEMBASSY BONN

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY STOCKHOLM

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

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E.O. 11652: N/A

TAGS: TSPA, UK

SUBJECT: HAWKER-SIDDELEY WINS ESRO CONTRACT FOR
MARITIME SATELLITE

1. HAWKER-SIDDELEY DYNAMICS, AS PRIME CONTRACTOR FOR THE MESH CONSORTIUM, HAS RECEIVED A THREE-YEAR ESRO CONTRACT WORTH ALMOST 25 MILLION POUNDS FOR THE DEVELOPMENT AND LAUNCH SUPPORT OF THE MARITIME ORBITAL TEST SATELLITE (MAROTS) IN ESRO'S EUROPEAN COMMUNICATIONS SATELLITE PROGRAM. MESH CO-CONTRACTORS ARE AERITALIA (ITALY), ENGINS MATRA (FRANCE), ERNO (GERMANY) AND SAAB-SCANIA (SWEDEN).

2. HAWKER SIDDELEY-LED MESH CONSORTIUM, WON MAROTS CONTRACT IN COMPETITION AGAINST STAR CONSORTIUM, LED BY BRITISH AIRCRAFT CORPORATION (BAC) AND AEROSPATIALE-LED COSMOS CONSORTIUM. COSMOS SUBMITTED BID ON PROJECT BUT WAS NEVER IN SERIOUS CONTENTION BECAUSE OF ITS FRENCH
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IDENTIFICATION IN WHAT IS TO BE A BRITISH-RUN PROJECT AND

BECAUSE IT HAD JUST WON CONTRACT FOR ESRO'S METEOSAT PROJECT. BAC PARTICULARLY DISAPPOINTED BY CONTRACT AWARDED TO MESH, LED BY ITS ARCH-RIVAL HAWKER SIDDELEY. EMBITTERED BAC OFFICIAL INVOLVED IN DRAWING UP STAR CONSORTIUM BID TOLD US THAT STAR PROPOSAL HAD BEEN 2 MILLION DOLLARS CHEAPER THAN MESH BID AND THAT IT HAD BEEN ADJUDGED BY ESRO TECHNICIANS TO BE 9 PERCENT SUPERIOR FROM DESIGN STANDPOINT. ACCORDING TO OUR BAC SOURCE, MESH WON CONTRACT VERY LARGELY BECAUSE OF POLITICAL PRESSURES BROUGHT BY MESH CO-CONTRACTOR ON SEVERAL NATIONAL GOVERNMENTS TO INFLUENCE ESRO AWARD.

3. SINCE SUCH MANEUVERING IS COMMON THREAD WHICH RUNS THROUGH ENTIRE FABRIC OF EUROPEAN COOPERATIVE PROGRAMS, DEPARTMENT MAY BE INTERESTED IN FOLLOWING BAC ACCOUNT OF FACTORS WHICH COMBINED TO CAUSE STAR CONSORTIUM TO LOSE OUT TO MESH: SWEDISH CO-CONTRACTOR IN MESH, SAAB-SCANIA, LINED UP SWEDISH GOVERNMENT SUPPORT FOR MESH BID ON BASIS THAT MESH PROPOSAL WOULD GIVE SWEDEN BIGGER PIECE OF THE ACTION THAN WOULD STAR PROPOSAL. UNDER PRESSURE FROM SAAB-SCANIA, SWEDISH GOVERNMENT MADE MINISTERIAL-LEVEL APPEAL TO DANISH GOVERNMENT (ON BASIS SCANDINAVIAN SOLIDARITY) TO LINE-UP DANISH SUPPORT FOR MESH. IN GERMANY, TECHNICIANS AGREED ON SUPERIORITY OF STAR PROPOSAL BUT HAD FRG DECISION REVERSED BY TECHNOLOGY MINISTER EMKE WHO FAVORED MESH BECAUSE GERMAN WORK UNDER MESH PROPOSAL (BY ERNO) WOULD BE PERFORMED IN BREMEN AREA WHICH IS EMKE'S CONSTITUENCY. BELGIANS, CONCERNED ABOUT THE GEOGRAPHIC SHARING OUT OF AEROSPACE WORK BECAUSE OF DOMESTIC POLITICAL CONSIDERATIONS, FAVORED MESH BECAUSE ITS SMALL SHARE OF WORK WOULD BE CARRIED OUT IN NORTHERN PART OF COUNTRY AS OPPOSED TO BELGIAN WORK ON RECENTLY AWARDED METEOSAT PROJECT WHICH WILL BE DONE IN SOUTH. UK IS SAID TO HAVE RECOGNIZED SUPERIORITY OF STAR BID BUT GAVE ONLY LUKEWARM SUPPORT FOR STAR IN ESRO BECAUSE UKG WAS ALSO CONCERNED ABOUT COMPENSATING HAWKER SIDDELEY WHICH HAD LOST ITS CONTRACT TO BUILD GEOSTATIONARY TEST SATELLITE (GTS) WHEN UK SCRAPPED THIS NATIONAL PROJECT IN FAVOR OF MAROTS AS PART OF COMPLICATED HORSE-TRADING THAT TOOK PLACE LAST SUMMER WHEN L3S/POST-APOLLO SPACELAB/MAROTS PACKAGE LIMITED OFFICIAL USE

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EMERGED FROM AUGUST MEETING OF EUROPEAN SPACE COUNCIL.

4. FOREGOING BAC ACCOUNT OF FACTORS WHICH LED TO ITS LOSS OF MAROTS CONTRACT MAY BE GARNISHED WITH SOME "SOUR GRAPES" BUT, IN OUR VIEW, HAS CERTAIN RING OF TRUTH TO IT, AT LEAST INSOFAR AS IT RELATES TO UKG ROLE IN AWARD OF CONTRACT. WOULD APPRECIATE ANY COMMENTS INFO ADDRESSEES MAY WISH TO OFFER ON BACKGROUND TO MAROTS

AWARD.

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 12 DEC 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: boyleja
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973LONDON14630
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731228/aaaaauih.tel
Line Count: 118
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: boyleja
Review Comment: n/a
Review Content Flags:
Review Date: 08 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08-Aug-2001 by willialc>; APPROVED <17-Aug-2001 by boyleja>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: HAWKER-SIDDELEY WINS ESRO CONTRACT FOR MARITIME SATELLITE
TAGS: TSPA, UK
To: SECSTATE WASHDC BONN PARIS ROME STOCKHOLM BRUSSELS COPENHAGEN
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005